GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:562
ANSWERED ON:02.12.2015
Financial Crisis in Municipalities
Gaikwad Prof. Ravindra Vishwanath;Kumar Shri Kaushalendra

Will the Minister of URBAN DEVELOPMENT be pleased to state:

Will the Minister OF URBAN DEVELOPMENT be pleased to state:-
(a) whether several Municipal Corporation and Municipal Councils in various States are facing financial crunch and if so, the details thereof, city and State-wise;

(b) whether various urban development works including construction of drains etc. are not being carried out as a result thereof; and

(c) the number of such cases due to which urban areas are bereft of development during the last three years and the current year, State and city-wise and the action contemplated by the Government thereon?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT
(SHRI BABUL SUPRIYO)

(a) to (c) : Yes, Madam. It is observed that Urban Local Bodies (ULB) in the country are financially constrained. Details of their financial position and related construction & development works rest with the respective State Governments.

Urban Development is a State subject and Government of India only facilitates the State Governments and ULBs through various programmes, schemes and guidelines. In order to help improve the financial condition and governance of the ULBs, the Government of India has approved for financial assistance under its reformed oriented programmes of Smart Cities Mission and the Atal Mission for Rejuvenation and Urban Transformation of 500 cities (AMRUT) with outlays of Rs.48,000 crore and Rs.50,000 crores respectively over the next five years. Further, the Government has also accepted the 14th Finance Commission's recommendations for providing Rs. 87,143.8 crores to ULBs for the period 2015-2020.

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